



State of Vermont  
Agency of Human Services  
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Waterbury, VT 05671-1000

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# Global Commitment Register

March 16, 2017

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GCR 16-040  
FINAL

## **Vermont Medicaid Next Generation Model ACO Program**

### **Policy Summary:**

The Agency of Human Services has implemented the Vermont Medicaid Next Generation Model Accountable Care Organization (ACO) Program. This program is a one-year program with four optional one-year extensions. The program is an agreement between Medicaid and provider organizations (under an umbrella ACO) that aims to hold providers accountable for patient quality of care and costs. By providing a prospective, all-inclusive, population-based capitation payment to the ACO for a set of defined health services, the program seeks to improve the efficiency and quality of care delivery to the program's assigned Medicaid beneficiaries, and provide the opportunity for an ACO to perform their own utilization and care management activities.

The Medicaid Next Generation Model ACO Program is an evolution of Vermont's current Medicaid ACO program, the Vermont Medicaid Shared Savings Program (VMSSP), which began in 2014 and just completed its third and final performance year in 2016. Because the VMSSP offered an upside-only risk arrangement (in which ACOs are not responsible for shared losses), the Next Generation Model ACO program's shared financial risk requirement goes further than the VMSSP to hold providers accountable for patient outcomes and costs. It should be noted that although the Vermont Next Generation Model ACO is structured similarly to the Medicare Next Generation ACO Model, it has been modified to address the needs of the Medicaid population in Vermont.

Additional information regarding this program can be found below.

### **Effective Date:**

January 1, 2017

### **Authority/Legal Basis:**

[Global Commitment to Health Waiver](#) - Sections 1902(a)(13) and 1902(a)(30) of the Social Security Act

### **Population Affected:**

Attributed Medicaid beneficiaries.

**Fiscal Impact:**

The estimated annualized gross budget impact of this program is budget neutral.

**Public Comment Period:**

The public comment period was December 30, 2016 – January 30, 2017. No comments were received.

**Additional information:**

Documents describing the Vermont Medicaid Next Generation Model ACO Program:

- [Coverage document](#)
- [Reimbursement document](#)
- Performance Measures table (see below):

Performance Measure	Measure Use	Data Source	National Medicaid Benchmarks Available for 2017 Contract Year?
30 Day Follow-Up after Discharge from the ED for Alcohol and Other Drug Dependence	Payment	Claims	No
30 Day Follow-Up after Discharge from the ED for Mental Health	Payment	Claims	No
Adolescent Well Care Visits	Payment	Claims	Yes
All Cause Unplanned Admissions for Patients with Multiple Chronic Conditions	Payment	Claims	No
Developmental Screening in the First 3 Years of Life	Payment	Claims OR Clinical	No
Diabetes Mellitus: Hemoglobin A1c Poor Control (>9%)	Payment	Clinical	Yes
Hypertension: Controlling High Blood Pressure	Payment	Clinical	Yes
Initiation of Alcohol and Other Drug Dependence Treatment	Payment	Claims	Yes
Engagement of Alcohol and Other Drug Dependence Treatment	Payment	Claims	Yes
Screening for Clinical Depression and Follow-Up Plan	Payment	Claims + Clinical	No
Follow-Up after Hospitalization for Mental Illness (7 Day Rate)	Reporting	Claims	Yes

Timeliness of Prenatal Care	Reporting	Claims	Yes
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The Vermont Medicaid Shared Savings Program (VMSSP) is described in the Medicaid State Plan. Attachment 3.1-A pages 13 through 13E describe VMSSP coverage. Attachment 4.19-B pages 12 through 16 describe VMSSP reimbursement. The [Medicaid State Plan](#) is available here.